

PMC-EF2a

(2.04.02)

**U.S. DEPARTMENT OF ENERGY
EERE PROJECT MANAGEMENT CENTER
NEPA DETERMINATION**



RECIPIENT: State of Washington DE-EE0000139

STATE: WA

**PROJECT
TITLE :** Nippon Paper Industries

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0000052	EE0000139	GFO-09-155-013	EE139

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Order 451.1A), I have made the following determination:

CX, EA, EIS APPENDIX AND NUMBER:**Description:**

- B5.1** Actions to conserve energy, demonstrate potential energy conservation, and promote energy-efficiency that do not increase the indoor concentrations of potentially harmful substances. These actions may involve financial and technical assistance to individuals (such as builders, owners, consultants, designers), organizations (such as utilities), and state and local governments. Covered actions include, but are not limited to: programmed lowering of thermostat settings, placement of timers on hot water heaters, installation of solar hot water systems, installation of efficient lighting, improvements in generator efficiency and appliance efficiency ratings, development of energy-efficient manufacturing or industrial practices, and small-scale conservation and renewable energy research and development and pilot projects. The actions could involve building renovations or new structures in commercial, residential, agricultural, or industrial sectors. These actions do not include rulemakings, standard-settings, or proposed DOE legislation.
- B1.15** Siting, construction (or modification), and operation of support buildings and support structures (including, but not limited to, trailers and prefabricated buildings) within or contiguous to an already developed area (where active utilities and currently used roads are readily accessible). Covered support buildings and structures include those for office purposes; parking; cafeteria services; education and training; visitor reception; computer and data processing services; employee health services or recreation activities; routine maintenance activities; storage of supplies and equipment for administrative services and routine maintenance activities; security (including security posts); fire protection; and similar support purposes, but excluding facilities for waste storage activities, except as provided in other parts of this appendix.
- B2.5** Safety and environmental improvements of a facility, including replacement and upgrade of facility components, that do not result in a significant change in the expected useful life, design capacity, or function of the facility and during which operations may be suspended and then resumed. Improvements may include, but are not limited to: Replacement/upgrade of control valves, in-core monitoring devices, facility air filtration systems, or substation transformers or capacitors; addition of structural bracing to meet earthquake standards and/or sustain high wind loading; and replacement of aboveground or belowground tanks and related piping if there is no evidence of leakage, based on testing that meets performance requirements in 40 CFR part 280, subpart D (40 CFR part 280.40). This includes activities taken under RCRA, subtitle I; 40 CFR part 265, subpart J; 40 CFR part 280, subparts B, C, and D; and other applicable state, Federal and local requirements for underground storage tanks. These actions do not include rebuilding or modifying substantial portions of a facility, such as replacing a reactor vessel.

Rational for determination:

The Washington Department of Commerce will provide \$2,000,000 of Recovery Act funds to Nippon Paper Industries USA (Nippon) to replace an existing process steam boiler with a new biomass boiler, steam turbine-generator, and associated facilities. The new boiler will generate steam for paper production and supply excess steam to a turbine generator to create electrical power. The work will be conducted at the Nippon facility located at 1902 Marine Drive, Port Angeles, Clallam County, WA.

The effort includes construction of new structures to house and operate the new boiler and steam turbine generator. The new facilities are to be located in an area of the Nippon Paper mill site currently occupied by structures related to mill operations. The affected area is about 60ft x 250ft. The following new structures will be constructed:

- New boiler building: 5,000 square feet in area and about 100 feet tall,
- Turbine generator building: 5,000 square feet in area and about 60 feet tall,
- Structure to house the air pollution control equipment: 3,000 square feet in area and about 60 feet tall with an associated stack that is 125 feet tall,
- Biomass fuel storage building: 14,000 square feet in area and 60 feet tall,
- Ash silo: 400 square feet in area and 35 feet tall.

The construction will be confined to the boundaries of the existing 65.3 acre Nippon mill site. The footprint of the facility will not be impacted, but the construction will impact an approximate 1/3-acre area of previously disturbed land within the facility. The new construction will also involve the removal of paved areas, biomass fuel piles, the biomass storage/ratchet ladder building, an office building, and a sludge dewatering/biomass fuel reclaim system.

Nippon has applied for the following permits in support of the project:

- Air Quality Notice of Construction Order of Approval - State
- Air Operating Permit Modification - State
- NPDES Waste Discharge Permit Modification - State
- City of Port Angeles Shoreline Substantial Development Permit - Local
- City of Port Angeles Building Permits - Local
- City of Port Angeles Noise Variance, if necessary – Local

The recipient has submitted a Draft Environmental Impact Statement (DEIS) as required by Revised Code of Washington Chapter 70.95.700 for energy recovery facilities. The DEIS evaluated the proposed facility and the No Action alternative and described environmental impacts and proposed mitigation measures for Air Quality, Floodplains, Noise, Historic and Cultural Resources, and Transportation. The more significant findings of the DEIS follows:

- The Proposed Action would improve the efficiency of the mill through the use of the forest biomass to produce both steam and electricity. Additionally, the new boiler would be equipped with Best Available Control Technology (BACT) air pollution control equipment, resulting in emissions reductions and improved air quality in the area.
- Construction and operation of the proposed biomass cogeneration facility would not result in any unavoidable significant adverse impacts on the environment. While some temporary impacts would result from project construction, mitigation measures have been identified to address these impacts. Once construction has been completed, the project would result in beneficial effects to the environment during operation, and no long-term mitigation would be required.

More specifically, the DEIS asserted the following:

Air Quality

- An overall reduction in air quality pollutants generated by the mill.
- Burning of slash in the new boiler compared to open burning in the forest will greatly reduce emissions of air pollutants.
- Reduction in particulate emissions will result in an improvement of scenic vistas in the area, particularly in the Olympic National Park.
- Substantial reduction GHG emissions by reducing the use of fossil fuels and increasing the use of biomass fuel compared to the existing boiler.

Floodplains

- No significant adverse impacts on floodplains.

Noise

- No significant adverse impacts on noise.

Historic and Cultural Resources

- No significant adverse impacts on historic and cultural resources.

Transportation

- No significant adverse impacts on transportation.

DOE has reviewed the recipient's DEIS and Environmental Checklist and find the DEIS complete and of good quality. Further, the findings stated within the DEIS support the information that the recipient has provided in the Checklist. DOE is also aware that the State and recipient are bound by contract clauses addressing the proper handling of waste and structures and sites of historical significance.

Based on the information provided by the State and recipient, DOE has determined that the work outlined is consistent with activities identified in Categorical Exclusion B1.15, B1.23, B2.5 and B5.1.

NEPA PROVISION

DOE has made a final NEPA determination for this award

Insert the following language in the award:

Note to Specialist :

According to the project officer, funding for this project is \$2,000,000. Absent a significant change in the scope of work, a change in funding will not affect my determination.

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: _____
NEPA Compliance Officer

Date: 7/8/10

FIELD OFFICE MANAGER DETERMINATION

☐ Field Office Manager review required

NCO REQUESTS THE FIELD OFFICE MANAGER REVIEW FOR THE FOLLOWING REASON:

- ☐ Proposed action fits within a categorical exclusion but involves a high profile or controversial issue that warrants Field Office Manager's attention.
- ☐ Proposed action falls within an EA or EIS category and therefore requires Field Office Manager's review and determination.

BASED ON MY REVIEW I CONCUR WITH THE DETERMINATION OF THE NCO :

Field Office Manager's Signature: _____
Field Office Manager

Date: _____

